

1988

Corporation Franchise or Income Tax Return

100

MONTH	DAY	YEAR	MONTH	DAY	YEAR
For income year beginning			and ending		
Affix Preaddressed Label					
California corporation number		Federal employer identification number			
Corporation name					
Address					
City		State	ZIP code		
Questions					
A Final return? <input type="checkbox"/> Dissolved <input type="checkbox"/> Withdrawn <input type="checkbox"/> Merged/Reorganized <input type="checkbox"/> IRC Section 338 Sale If a box is checked, enter date _____					
B Is income included in a combined report of a unitary group? • <input type="checkbox"/> Yes <input type="checkbox"/> No					
C Is the corporation to be treated as a Real Estate Mortgage Investment Conduit for California purposes? • <input type="checkbox"/> Yes <input type="checkbox"/> No					
D Did this bank or corporation, in whole or in part, determine its income pursuant to a water's-edge election? • <input type="checkbox"/> Yes <input type="checkbox"/> No E Does this corporation or bank or any of its related entities have either 1) property, payroll or sales in foreign countries which exceeds \$10,000,000; or 2) total assets everywhere which exceed \$250,000,000? • <input type="checkbox"/> Yes <input type="checkbox"/> No F Did this corporation or its subsidiary(ies) have a change in control or ownership this year, or acquire ownership or control of any other legal entity since 1/1/80? • <input type="checkbox"/> Yes <input type="checkbox"/> No G Did the corporation or combined group pay more than \$100,000 in local personal property taxes and/or business license taxes in California during this income year? • <input type="checkbox"/> Yes <input type="checkbox"/> No H Principal business activity code • _____ I Check here only if claiming enterprise zone or program area tax benefits: • <input type="checkbox"/> J Check here only if claiming technological property contribution tax benefits: • <input type="checkbox"/> K Date incorporated _____ • Where? _____					

State adjustments	Description	Line	Amount
	1 Net income (loss) before state adjustments (see Specific Instructions)	1	
	2 Amount deducted for foreign or domestic tax based on income or profits	2	
	3 Amount deducted for tax under the provisions of the Bank and Corporation Tax Law	3	
	4 Interest on government obligations	4	
	5 Net capital loss carryover deducted on Schedule G, line 8	5	
	6 Depreciation in excess of amount allowed under California law (Schedule B)	6	
	7 Amortization in excess of amount allowed under California law (Schedule B)	7	
	8 Other additions (attach schedule)	8	
	9 Total. Add lines 1 through 8	9	
	10 Intercompany dividends	10	
	11 Other dividends	11	
	12 Water's-edge dividend deduction (attach form FTB 2411)	12	
	13 Capital losses not deducted on Schedule G, line 8 (attach schedule)	13	
	14 Contributions exceeding allowable federal deduction on Schedule G, line 19	14	
	15 Interest deduction for enterprise zone/program area investment	15	
	16 Other deductions (attach schedule)	16	
	17 Total. Add lines 10 through 16	17	
	18 Net Income (loss) after State adjustments. Subtract line 17 from line 9	18	

If all income is derived from California sources, transfer the amount from line 18 to line 19. If income is derived from sources both within and without California, complete Schedule R and transfer the amount from Schedule R, line 24 to line 19 below.

Category	Description	Line	Amount
Calif. net income	19 Net income (loss) for state purposes	19	
	20 Net operating loss (attach form FTB 3805Q)	20	
	21 Net income for tax purposes. Subtract line 20 from line 19	21	
Taxes	22 Tax _____% x amount on line 21 (see General Instructions B and C)	22	
	23 Tax credits (see instructions)	23	
	24 Balance. Subtract line 23 from line 22 (not less than minimum tax if applicable)	24	
	25 Alternative minimum tax (attach Schedule P (100)). (see General Instruction I)	25	
	26 Total tax. Add line 24 and line 25	26	
Payments	27 a Overpayment from prior year allowed as a credit	27a	
	b 1988 estimated tax payments	27b	
	c Amount paid with application for extension of time to file return	27c	
	d Dissolving/Withdrawing - Not applicable if formed after 1971 (Gen. Instr. N) ..	27d	
	27 Total. Add lines 27a through 27d	27	
Amount due or refund	28 Tax due. Subtract line 27 from line 26. Pay this amount with return	28	
	29 Overpayment. Subtract line 26 from line 27	29	
	30 Enter amount of line 29 to be credited to 1989 estimated tax	30	
	31 Enter amount of line 29 to be refunded	31	
	32 Penalties and interest (see General Instructions L and M)	32	
	<input type="checkbox"/> Check box if estimate penalty was computed using Exception C or Exception D and attach form FTB 5806		
	33 Total amount due. Pay amount with return	33	

Schedule A Taxes Deducted

(a) Nature of Tax	(b) Taxing Authority	(c) Amount

Total Taxes Deducted. Enter here and on Schedule G, line 17**Schedule B Depreciation and Amortization** (attach form FTB 3885 or a detailed schedule in support of this schedule)**Part A. Depreciation Claimed**

- 1 Total depreciation claimed for federal purposes ..
2 Allowable for state purposes
3 Depreciation adjustment *

Part B. Amortization Claimed

- 1 Total amortization claimed for federal purposes ..
2 Allowable for state purposes
3 Amortization adjustment *

* If line 1 is greater than line 2, enter difference on line 3 and on side 1, line 6 or line 7.
If line 2 is greater than line 1, enter difference on line 3 and on side 1, line 16.

Note: California has not adopted the federal Accelerated Cost Recovery System (ACRS). See exceptions on form FTB 3885.

Schedule C Tax Credits If the corporation has tentative minimum tax, do not complete this schedule. Use Schedule P (100) to calculate tax credits.

- 1 Jobs tax credit (form FTB 3524)
2 Energy conserv. credit carryover (form FTB 3514)
3 Research and development (form FTB 3523) ...
4 Orphan drug research (form FTB 3528)

- 5 Commercial solar energy credit (form FTB 3805L)
6 Technological property contribution carryover
7 Other (attach schedules)
8 **Total.** Enter here and on Side 1, line 23

Schedule D Cost of Goods Sold and/or Operations

1 Inventory at beginning of year	1
2 Purchases	2
3 Cost of labor	3
4 a Additional IRC Section 263A costs (attach schedule)	4a
b Other costs (attach schedule)	4b
5 Total. Add lines 1 through 4	5
6 Inventory at end of year	6
7 Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Schedule G, line 2	7

Method of inventory valuation ▶

Was there any substantial change in the manner of determining quantities, costs or valuations between opening and closing inventory? ☐ Yes ☐ No

If "Yes," attach an explanation. Enter California sales permit number (if any) ▶

Check if the LIFO inventory method was adopted this income year for any goods (if checked, attach federal Form 970) ☐

If the LIFO inventory method was used for this income year, enter percentage (or amounts) of closing inventory computed

under LIFO **8c**Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation? ☐ Yes ☐ No**Questions****L** Date business began in California or date income was first derived from California sources**M** Accounting method used**N** Location of principal accounting records**O** Has the federal government redetermined your income tax liability for any prior year(s) which has not previously been reported? ☐ Yes ☐ No
If yes, furnish copy of agent's report under separate cover.**P** First return? (Check appropriate box(es))

☐ New business or successor to previously existing business operated as a:
☐ sole proprietorship ☐ partnership ☐ joint venture ☐ corporation ☐ other
(attach statement showing name, address and FEIN of previous business)

Q Enter corporation "doing business as" name**R** Was the corporation's income included in a consolidated federal return? ☐ Yes ☐ No**S** Is this corporation a Regulated Investment Company for California purposes? ☐ Yes ☐ No**T** At any time during the income year, was more than 50% of voting stock:**a** of the corporation owned by any single interest? ☐ Yes ☐ No**b** of another corporation owned by this corporation? ☐ Yes ☐ No**c** of this and one or more other corporations owned or controlled, directly or indirectly, by the same interests? ☐ Yes ☐ NoIf **a**, **b** or **c** is "yes" furnish statement of ownership indicating pertinent names, addresses, and percentages of stock owned. If the owner(s) is an individual, provide the social security number.**U** Have all required information returns (federal Forms 1099) been filed with the Franchise Tax Board? ☐ N/A ☐ Yes ☐ No**V** Corporation headquarters are: ☐ Within California☐ Outside California, within U.S. ☐ Outside U.S.**W** Corporation is: ☐ Apportioning U.S. income to California☐ Apportioning worldwide income to California ☐ Not apportioning income☐ Electing to file on a water's-edge basis and is affiliated with a bank or corporation which is not electing to file on a water's-edge basis

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than the taxpayer) is based on all information of which preparer has any knowledge.			
	Signature of officer ▶	Title	Date	Telephone ()
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN/FEIN
	Firm's name (or yours, if self-employed) and address ▶	E.I. No. ▶ Telephone ▶ ()		

Schedule E Compensation of Officers. Complete only if total receipts (Schedule G, line 1a plus line 4 through line 10) are \$150,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of stock owned	(e) Amount of compensation
1		%	%	
		%	%	
		%	%	
		%	%	
		%	%	
2 Total compensation of officers				
3 Less: Compensation of officers claimed in Schedule D and elsewhere on return				
4 Compensation of officers deducted on Schedule G, line 12				

Schedule F Bad Debts — Reserve Method (Savings and Loan Associations, Banks & Financial Corporations only)

(a) Income year	(b) Accounts outstanding at end of the year	Amount added to reserve		(e) Amount charged against reserve	(f) Reserve for bad debts at end of year
		(c) Current year's provision	(d) Recoveries		
1983					
1984					
1985					
1986					
1987					
1988					

Schedule G Computation of Net Income

1	a Gross receipts or gross sales	b Less returns and allowances	Balance ▶	1c	
2	Cost of goods sold and/or operations (Schedule D)			2	
3	Gross profit. Subtract line 2 from line 1			3	
4	Dividends (Schedule H)			4	
5	a Interest on obligations of the United States and U.S. instrumentalities			5a	
	b Other interest (attach schedule)			5b	
6	Gross rents			6	
7	Gross royalties			7	
8	Capital gain net income (attach federal Schedule D (Form 1120)) *			8	
9	Ordinary gain (loss) (attach federal Form 4797)			9	
10	Other income (attach schedule)			10	
11	Total income. Add lines 3 through 10			11	
* Capital loss carryover deducted on line 8 must be restored to income on Side 1, line 5. Any net capital loss not reported on line 8 may be deducted on Side 1, line 13.					
12	Compensation of officers (Schedule E)	12			
13	Salaries and wages (not deducted elsewhere)	13			
14	Repairs	14			
15	Bad debts (see instructions)	15			
16	Rents	16			
17	Taxes (Schedule A)	17			
18	Interest	18			
19	Contributions (attach schedule)	19			
20	Depreciation	20			
21	Less depreciation claimed elsewhere on return ..	21a		21b	
22	Depletion (attach schedule)	22			
23	Advertising	23			
24	Pension, profit-sharing, etc., plans	24			
25	Employee benefit plans	25			
26	Other deductions (attach schedule)	26			
27	Total deductions. Add lines 12 through 26			27	
28	Net income before state adjustments. Subtract line 27 from line 11 and transfer result to Side 1, line 1			28	

Schedule H Dividend Income (use additional sheet(s) if necessary and attach a detailed schedule of amounts)

(a) Name of Payer	(b) Dividend Received	(c) Type of Stock Common/Preferred

Schedule L Balance Sheets

	Beginning of income year		End of income year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2 Trade notes and accounts receivable				
a Less allowance for bad debts				
3 Inventories				
4 Federal and state government obligations				
5 Other current assets (attach schedule)				
6 Loans to stockholders/officers (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets				
a Less accumulated depreciation				
10 Depletable assets				
a Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
a Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Stockholders' Equity				
15 Accounts payable				
16 Mtges., notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mtges., notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Capital stock: a Preferred stock				
b Common stock				
22 Paid-in or capital surplus (attach reconciliation)				
23 Retained earnings — Appropriated (attach schedule)				
24 Retained earnings — Unappropriated				
25 Less cost of treasury stock		()		()
26 Total liabilities and stockholders' equity				

Schedule M - 1 Reconciliation of Income per Books with Income per Return

Do not complete this schedule if amount on Schedule L, line 14, column (d), is less than \$25,000.

1 Net income per books		7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		a Tax-exempt interest \$	
3 Excess of capital losses over capital gains			
4 Taxable income not recorded on books this year (itemize)			
5 Expenses recorded on books this year not deducted in this return (itemize)		8 Deductions in this return not charged against book income this year (itemize)	
a Depreciation \$		a Depreciation \$	
b State taxes \$		b State tax refunds ... \$	
c Travel and entertainment \$			
6 Total. Add lines 1 through 5		9 Total. Add line 7 and line 8	
		10 Net income per return. Subtract line 9 from line 6.	

Schedule M - 2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, line 24)

Do not complete this schedule if amount on Schedule L, line 14, column (d), is less than \$25,000.

1 Balance at beginning of year		5 Distributions: a Cash	
2 Net income per books		b Stock	
3 Other increases (itemize)		c Property	
		6 Other decreases (itemize)	
4 Total. Add lines 1 through 3		7 Total. Add line 5 and line 6	
		8 Balance at end of year. Subtract line 7 from line 4.	